AGENDA ITEM F-01

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: **Adopt Resolution Authorizing City Manager to Execute a Joint Funding Agreement with the City of Stockton for the Joint Recycled Water Expanded Feasibility Study and Implementation Plan, Appropriating Funds ($50,000) and Authorizing Appointment of a Council Member to Participate on Consultant Selection Team**

MEETING DATE: **November 29, 2006**

PREPARED BY: **Public Works Director**

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to execute a Joint Funding Agreement (Exhibit A) with the City of Stockton for the Joint Recycled Water Expanded Feasibility Study and Implementation Plan (Joint Study), appropriating funds as shown below, and authorizing the appointment of a member of the Council to participate on the Consultant Selection Team.

BACKGROUND INFORMATION: The City of Lodi and the City of Stockton entered into a Settlement Agreement dated April 8, 2005 to resolve litigation concerning their respective spheres of influence. The Settlement Agreement requires both parties to jointly evaluate the feasibility of a recycled water project to dispose of Lodi's tertiary treated wastewater (recycled water) via irrigation of public and private landscaping in newly-constructed areas of Stockton and Lodi. The Parties agreed to jointly fund the Joint Study to determine if a recycled water project is feasible.

Three pre-qualified water consulting firms were invited to participate in a pre-proposal workshop. The workshop was intended for City staff from Lodi and Stockton to draw on the collective expertise of the participating firms to prepare a comprehensive request for proposal document. Two firms chose to participate in the workshop and have expressed an interest in submitting a scope and fee proposal.

As standard protocol, the Stockton City Council appoints a Council member to participate on consultant selection teams. Since this project includes the cooperative effort between Stockton and Lodi, the staffs recommend a Lodi City Council member also participate on the selection team. The selection team will review the proposals, interview the consultants, and make a selection recommendation.

The attached Request for Proposals (Exhibit B) for the Joint Study has been prepared by City of Lodi and City of Stockton staff. The purpose of the Joint Study is to confirm the feasibility of the project from applicable aspects including technical, environmental and customer/political acceptance. The feasibility portion of the Joint Study includes a market analysis to determine the potential demand for recycled water within the proposed study area.

As reflected in the attached Request for Proposals, the boundaries of the Joint Study area are not fixed but are generally defined by an east-west corridor extending from I-5 to State Highway 99. The southern boundary includes new developments south of 8-Mile Road and could (but is not likely to) extend as far north as State Route 12.

If both cities agree the project is feasible, the consultant will be authorized to proceed with the Implementation Plan portion of the Joint Study. The Implementation Plan includes preliminary infrastructure layout and planning, along with tasks to establish guidelines and criteria for financing, constructing, and operating a recycled water distribution system.

APPROVED: _____
Blair King, City Manager

The information acquired from this study is intended to provide a road map for planning recycled water infrastructure and establishing potential points of use within the Joint Study area to offset the potable water demand for irrigation of open space. The City of Stockton will issue the consulting contract on behalf of both cities. The Joint Funding Agreement (attached) provides for reimbursement. The Stockton City Council approved the Joint Funding Agreement on November 14, 2006. If the Lodi City Council approves the agreement, the RFP's will be issued and the following tentative schedule will be followed:

Proposals Due	January 12, 2007
Interview Date	Week of January 22, 2007
Notification of Selected Team	Week of January 29, 2007
Complete Scope of Services/Contract Negotiations	Week of February 12, 2007
City of Stockton Council Approval of Consultant Contract*	February 27, 2007
Study Work to Commence	March 5, 2007

In a separate action, the City of Lodi has secured through RMC Water and Environment a Proposition 50 planning grant to help fund a City of Lodi Recycled Water Master Plan (Master Plan). The scope of the Master Plan is to explore alternatives for implementing Lodi's recycled water program that are not of interest to the City of Stockton, such as using recycled water for irrigation purposes along the agricultural corridor between the City of Lodi and Interstate 5, and irrigation of public lands and open space within the City of Lodi. Therefore, while the study areas overlap in some locations, the purpose of the Joint Study and the City of Lodi Recycled Water Master Plan are different.

FISCAL IMPACT: The estimated fee to prepare the study satisfying the joint settlement agreement is $250,000 to be jointly funded by the City of Lodi and City of Stockton and, as provided for in the Funding Agreement, each City is committing up to a maximum of $125,000. The 2006/07 budget appropriated $75,000 for the Joint Study. At the time of the appropriation request, the Joint Study scope had not been determined, so the amount was estimated. The City of Stockton will be applying for a Proposition 50 planning grant that could offset the Joint Study cost by as much as $75,000. Proceeds from any Proposition 50 grant funds received will be equally shared between both cities.

FUNDING AVAILABLE: Funding for this project will be coming from the Wastewater COP 2004 fund.

Study Total Estimate:	$250,000 (Not to Exceed)
City of Lodi Share:	$125,000
2006/07 Budget Appropriation:	$75,000 (Wastewater Fund, 172023)
Additional Requested Appropriation:	$50,000 (Wastewater Fund, 172023)
Planned Award Date:	February 2007

_____
Ruby Paiste, Financial Services Manager

_____
Richard C. Prima, Jr.
Public Works Director

Prepared by Charlie Swimley, Senior Civil Engineer
RCP/CES/pmf
Attachments
cc: F. Wally Sandelin, City Engineer
Frank Beeler, Water/Wastewater Superintendent

Exhibit A

JOINT FUNDING AGREEMENT

THIS JOINT FUNDING AGREEMENT (the "Joint Funding Agreement") is entered into as of _____ by and among the CITY OF LODI, a municipal corporation, ("Lodi"), the CITY OF STOCKTON, a charter city, ("Stockton"), (collectively referred to hereinafter as "the Parties").

RECITALS

Whereas, Lodi and Stockton entered into a Settlement Agreement dated April 8, 2005 ("Settlement Agreement") to resolve cross litigation concerning their respective Spheres of Influence. The Settlement Agreement, among other things called for the parties to jointly evaluate the feasibility of a recycled water project to dispose of Lodi's tertiary treated wastewater ("recycled water") in public and private landscaping in newly constructed areas of Stockton and Lodi ("Recycled Water Project"). To effectuate such evaluation, the Parties agreed to jointly fund a study (the "Feasibility Study") to determine whether the proposed project is economically and environmentally feasible; and,

Whereas, this Joint Funding Agreement is entered in order to commission the Feasibility Study called for in the Settlement Agreement.

NOW THEREFORE, IT IS HEREBY AGREED BY AND AMONG THE PARTIES AS FOLLOWS:

1. Joint Funding. The parties will jointly fund a Feasibility Study for the Recycled Water Project on a pro rata basis. Individual expenditures for the Feasibility Study shall not exceed $125,000, exclusive of staff expenses and grants, unless otherwise agreed by the Parties. Stockton will make all progress payments to the Feasibility Study consultant when due and shall bill Lodi for its pro rata share of the invoice. Lodi will pay its share of the invoice within 30 days of receipt from Stockton.

2. Proposition 50 Grant. The Parties agree that they will jointly apply for a Proposition 50 grant to supplement their individual contributions set forth above. Stockton will be identified as the applicant on the grant application.

3. Selection of Project Consultant. One firm shall be selected from a set of pre-qualified firms submitting proposals at the Parties' request to prepare a Feasibility Study for the Recycled Water Project. The firms shall be evaluated jointly by representatives from the Parties and selected based on qualifications and price.

4. Consultant Contract Terms. The consultant's contract shall be between the Parties on the one hand, and the selected Feasibility Study consultant on the other ("Consultant"). It shall provide that the Consultant's

obligations flow equally to Lodi and Stockton and that all direction given to Consultant shall be by mutual agreement of Lodi and Stockton.

5. Authority. Each individual executing this Agreement on behalf of an entity represents and warrants that he or she is a duly authorized representative of that entity with full power and authority to bind the entity to each term and condition hereof.

6. Further Acts. Each of the Parties hereto agrees to cooperate and to use best efforts to take all actions necessary to effectuate all of the terms and conditions of this Agreement.

7. Dispute Resolution. The Parties desire to avoid the cost and delay attendant on litigation. To that end, the Parties agree that if any dispute arises relating to this Agreement, including but not limited to its meaning, interpretation, effect or the enforcement of the provisions hereof, it will be resolved pursuant to the terms of Paragraph 12 of the Settlement Agreement.

8. Attorneys' Fees. In the event that any legal action is necessary to enforce or interpret any provision of this Agreement, the prevailing party in such action shall recover its costs and reasonable attorneys' fees.

9. Miscellaneous.

a. Successors. This Agreement shall bind the successors and assigns of each of the parties hereto.

b. Parties Represented. Each party to this Agreement has been represented and advised by counsel in connection with the negotiation and preparation hereof, and each shall be deemed its author for purposes of the Agreement's construction.

c. Integrated Writing. This Agreement constitutes the whole and only existing and binding agreement between the Parties hereto on the subject matter hereof, superseding all prior understandings, whether written or oral. Other than the representations expressly stated as such in this Agreement, there are no warranties, promises or representations of any kind, express or implied, upon which either party has relied in entering into this Agreement, or as to the future relations or dealings of the Parties.

d. Amendments. This Agreement may be modified or amended only by a writing signed by the party to be charged.

e. No Waiver. The waiver by any party hereto of any right, privilege, covenant or condition hereunder will not operate as or indicate a

continuing waiver of the same or any other right, privilege, covenant or condition hereunder.

DATED:_____ CITY OF LODI, a Municipal Corporation

By: _____
BLAIR KING
CITY MANAGER

DATED:_____ CITY OF STOCKTON, a Charter City

By:_____
J. GORDON PALMER, JR.
CITY MANAGER

APPROVED AS TO FORM AND CONTENT: D. STEPHEN SCHWABAUER
CITY ATTORNEY, CITY OF LODI

DATED:_____ By:_____
D. STEPHEN SCHWABAUER
CITY ATTORNEY

APPROVED AS TO FORM AND CONTENT: RICHARD E. NOSKY, JR.
CITY ATTORNEY, CITY OF STOCKTON

DATED:_____ By:_____
JOHN M. LUEBBERKE.
ASSISTANT CITY ATTORNEY

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Exhibit B

REQUEST FOR PROPOSAL FOR CONSULTING SERVICES IN PREPARATION OF A JOINT RECYCLED WATER EXPANDED FEASIBILITY STUDY AND IMPLEMENTATION PLAN

NOVEMBER, 2006

ISSUED BY:

CITY OF STOCKTON, CITY OF LODI

CITY OF STOCKTON

CITY OF LODI CALIFORNIA ™

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1.0 BACKGROUND

In 2004, a preliminary feasibility study was conducted to evaluate potential alternatives for diverting the City of Lodi's White Slough Water Pollution Control Plant (White Slough Plant) raw water flows to the Stockton Regional Wastewater Control Facility for recycled use of the White Slough Plant's Title 22 tertiary-treated water. The study, and subsequent review by the Cities of Stockton and Lodi, concluded that reuse of treated municipal flows from the Lodi White Slough Plant for use in public areas was "reasonably feasible."

After determining that the alternatives were reasonably feasible, in 2005, the Cities of Stockton and Lodi (Cities) agreed to further evaluate the feasibility of a recycled water project to dispose of Lodi's tertiary-treated wastewater in public and private landscaping in newly constructed areas of Stockton and Lodi, offsetting the use of potable water for these purposes. The White Slough Plant's current average annual wastewater flow is approximately 6.5 million gallons per day (mgd), and it is expected to reach 11.6 mgd at build out of the Lodi's 1990 General Plan. The effluent is treated to Title 22 Disinfected Tertiary standards using cloth media filters and ultraviolet (UV) disinfection.

The Cities intend to use this Request for Proposal (RFP) to retain a consulting firm to conduct the further evaluation of the proposed project and to prepare the implementation plan to define those tasks required for the project to be completed. To the extent appropriate, and as noted in this RFP, the retained consultant will implement a portion of those tasks.

2.0 EXPANDED FEASIBILITY STUDY AND IMPLEMENTATION PLAN OBJECTIVES

The purpose of this project is to expand/enhance the Feasibility Study and prepare an Implementation Plan.

The Expanded Feasibility Study is intended to confirm the viability of the project from all applicable aspects, including technical, environmental, financial, and customer/political acceptance, and will therefore, include a market analysis. The purpose of the Implementation Plan is intended to include at least preliminary levels of infrastructure planning, and to establish guidelines and criteria for financing, constructing, and operating the recycled water distribution system.

The boundaries of the study area are not fixed, but are generally defined by an east-west corridor in North Stockton/South Lodi from the developments west of Interstate 5 to as far east as State Highway 99. Generally, the southern boundary would include the new development in Stockton south of Eight Mile Road, and the northern boundary could potentially be as far north as State Route 12. The Cities are exploring the possibility of using recycled water to irrigate parks and/or open space in the study area.

3.0 PROPOSED PROJECT SCHEDULE

The following is a proposed schedule for this project.

Request for Proposal Issued	November 30, 2006
Proposals Due	January 12, 2007
Interview Date	Week of January 22, 2007
Notification of Selected Consultant Team	Week of January 29, 2007
Complete Scope of Services/Contract Negotiations	Week of February 12, 2007
Council Approval of Agreement	February 27, 2007
Feasibility Study Work Begins	March 5, 2007
Final Water Recycling Feasibility Study Complete with Presentation to Stockton and Lodi City Councils	September 2007
Implementation Plan Work Begins	October 2007
Stockton and Lodi City Council Approval of Water Recycling Implementation Plan	March 2008

4.0 EXPANDED FEASIBILITY STUDY - SCOPE OF SERVICES

4.1 DESIRED EXPANDED FEASIBILITY STUDY COMPONENTS

The Joint Stockton/Lodi Water Recycling Expanded Feasibility Study is envisioned to have three major components:

1. **Goals and Objectives Development** – This process will be used to identify the goals and objectives of the Cities and to gauge interest for water recycling among developers, potential recycled water users (including commercial developments, municipal, county, and state open space agencies, and the agricultural community), and other interested parties.

2. **Constraints/Fatal Flaws Analysis** – This analysis will include the assessment of the goals, and any associated potential conflicts resulting from those goals, identified during the stakeholder process. It also includes development of an estimate for capital improvements and an assessment of permitting and environmental compliance requirements. It is expected that a fatal flaws analysis may be needed more than once during the project, and if a fatal flaw is identified during the analysis, then the project may be terminated.

3. **Water Recycling Storage and Distribution Alignment Alternatives Development** – This component will identify and evaluate potential storage options and locations, and two to three alternative distribution alignments.

4.2 GOALS AND OBJECTIVES DEVELOPMENT

The selected consultant team will work closely with the Cities' staffs to develop joint goals and objectives. The consultant will also develop a strategy for identifying and engaging potential water recycling stakeholders in discussions that will assist the Cities in meeting the water recycling goals. Partner development will be a critical factor of the future success of the Cities' Water Recycling Program. These partners could share in the benefits, and costs, of water recycling. This process can include, but is not limited to, the following major components:

1. Work with the Cities' staff and elected officials to identify critical requirements and goals, and develop a consensus study scope, for successful completion of a recycled water project.

2. Identify existing relationships between the Cities and outside agencies and groups that can be expanded upon to develop a stronger network of potential stakeholders.

3. Identify any potential new stakeholders amongst developers, potential recycled water user groups, and other interested parties (environmental groups, neighborhood and business associations, etc.).

4. Develop a strategy for engaging stakeholders and assessing stakeholder positions. The strategy will need to address the approach(es) to be taken. Options will include workshops, small meetings, opinion surveys (including market analysis), and promotional or marketing activities, including a schedule or timeline for implementation of the strategy.

5. Assist Cities' staff in implementing a stakeholder strategy with the explicit intent of creating stakeholder interest and support in partnering with this water recycling program.

Goals and Objectives Deliverables and Technical Memoranda

- Statement of Goals
    - Statement of Goals should be a consensus agreement between the Cities establishing critical requirements and intended goals of each City. This Statement should include necessary details for the scope of work to complete the Feasibility Study and Master Plan.
    - This Statement should be used in conducting any constraints or fatal flaws analysis.

- Water Recycling Stakeholder Strategy Approach Technical Memorandum (TM)
    - TM should contain a discussion of options and a rationale for a strategy to identify and engage potential Stakeholders in usage discussions with the Cities.
    - Develop a limited variety of "Joint Stockton/Lodi Water Recycling Informational Presentations" tailored to the various identified stakeholders.
    - Set up and conduct meetings/workshops to implement the stakeholder strategy as outlined in the TM.
    - Compile the outcome of stakeholder meetings/workshops and summarize findings.

- Market Analysis
    - Develop and conduct a market analysis to identify existing opportunities for recycled water use and attitudes/opinion/knowledge-base of potential customers within the proposed project area. The Cities understand that this initial market analysis will focus on the most immediate potential customers, and that those potential customers are primarily public agencies.

4.3 CONSTRAINTS/FATAL FLAWS ANALYSIS

It is important to evaluate the likelihood of success early in this study and planning process and to limit the Cities' financial obligations if it is determined that project success is not likely or possible. If any fatal flaw is identified, then this project will likely be terminated. The constraints/fatal flaws analysis will include, but may not be limited to, the following components:

1. The initial activities of the Feasibility Study include those stakeholders who have project veto authority. As noted above, the critical requirements of the Cities must be clearly identified and documented.

2. Based on the current project expectations, capital cost estimates prepared in the preliminary feasibility study (see Section 1 above) will be reviewed and modified as necessary. At this point in the study, these cost estimates are not expected to be more precise than initial study-level costs.

3. Regulatory permitting requirements must be identified along with the permit acquisition costs and schedule, and any impacts or limitations associated with permit acquisition. Included in the regulatory permitting requirements should be an evaluation of requirements or use limitations associated with mixing recycled water with untreated river or Delta water, or irrigation water.

4. California Environmental Quality Act (CEQA) requirements must also be identified along with the compliance costs and schedule.

5. Additional special studies may be required to complete the constraints analysis. One such study is a salinity study, or total salt balance, to evaluate the impact of salinity on the likely success of the project.

6. The constraints analysis will be completed, using the above-noted information and any other applicable information, to limit the following alternatives analysis (and the subsequent scope of this study and planning effort, as necessary).

7. The conclusions of the constraints analysis shall include a fatal flaws discussion that will provide the Cities with information on any constraint or conflict that could severely impact the likelihood of success of this project.

8. Subsequent to this initial analysis, a limited fatal flaw evaluation may be undertaken at any point during this study and planning effort when any new constraint or requirement is identified or any existing constraint or requirement changes significantly.

Potential Constraints/Fatal Flaws Analysis Deliverables and Technical Memoranda

- The constraints analysis will result in a TM or TMs that outline the constraints and requirements for successful completion of the project, including, at a minimum, results of the stakeholder process (in particular the Statement of Goals), a permit requirements analysis, and a discussion of CEQA requirements.

- A fatal flaws analysis may be incorporated into the constraints analysis TM, or if applicable may be prepared as a separate document.

- If at any point during the project a constraint or requirement changes significantly, or if a new constraint or requirement is identified, then a supplemental fatal flaw evaluation may be required. The impetus for considering a supplemental fatal flaws analysis can come from the consultant team or either of the Cities' staff, and the analysis shall be undertaken at the direction of the Cities' Project Manager, with a supplemental fatal flaws TM prepared.

4.4 WATER RECYCLING STORAGE AND DISTRIBUTION ALIGNMENT ALTERNATIVES DEVELOPMENT

The scope of this project has been limited by the geographic location of the recycled water source and the areas of potential use. However, there are substantial alternatives for storage and distribution alignments. The components of this alternatives development will include, but will not necessarily be limited to:

1. Both an annual preliminary water balance to evaluate potential recycled water use rates' associated storage requirements by season, and preliminary diurnal water balances for the different seasons (to the extent applicable) to evaluate diurnal, local, or customer-operated storage.

2. An evaluation of diurnal and seasonal storage requirements. Storage options should include both storage at the White Slough Plant and at applicable locations throughout the study area, and include an evaluation of a large storage area in comparison to smaller, distributed storage areas.

3. The distribution alignment alternatives analysis shall include comparisons of a grid or trunk system. The alternatives shall also include consideration of connections to the Woodbridge Irrigation District supply system as an alternative non-potable water supply.

4. The extent of the distribution system alternatives should include an evaluation of the rate of potential use and the projected discharge from the White Slough Plant, and incorporate appropriate phasing of construction and implementation.

5. Potential uses shall include landscape irrigation of parks, schools, commercial developments, and road medians (including irrigation along Interstate 5 and Highway 99), and agricultural irrigation.

6. A general evaluation of the proposed alternatives with respect to the General Plans and Urban Water Management Plans (UWMP) of the Cities, specifically citing any conflicts.

Potential Storage/Distribution Alternatives Development Deliverables and Technical Memoranda

- Deliverables will include one or more TM on potential storage strategies and locations that include a comparison of initial-study-level costs and other advantages and disadvantages. The preliminary water balances may be included with the storage TM(s) or presented separately. Any conflicts or other potential issues associated with storage strategies relative to the Cities' General Plans or UWMPs will be included in the applicable TM(s).

- Deliverables on the distribution alternatives will include a discussion of potential users associated with each alternative, and potential priorities for phased construction. Any conflicts or other potential issues associated with distribution alternatives relative to the Cities' General Plans or UWMPs will be included in the applicable TM(s).

- Consultant will work closely with the Cities' staff to prepare a summary of the alternatives, a range of alternatives, the consultant-recommended alternative, with the final proposed alternative(s) identified by the Cities' Project Managers. The consultant will prepare a presentation with applicable variations for presentation to both the City Councils for approval, and for presentation to the stakeholders.

Following presentation to the City Councils and any decision-making required of the Cities' staff and/or Councils, the previously-prepared deliverables will be assembled into a comprehensive Feasibility Study.

5.0 IMPLEMENTATION PLAN - SCOPE OF SERVICES

5.1 DESIRED IMPLEMENTATION PLAN COMPONENTS

Following approval of the Expanded Feasibility Study and proposed alternative(s) by the City Councils, the Joint Stockton/Lodi Water Recycling Implementation Plan will be developed, and is envisioned to have three major components:

1. **Facilities Plan, including Storage and Distribution System Hydraulic Engineering** – It is anticipated that decisions will be made by the Cities regarding storage and distribution alignment options evaluated as part of the Feasibility Study. This component will include hydraulic modeling to size storage areas and distribution pipelines.

2. **Financial Plan** – The Financial Plan will include development of a proposed financial agreement between the two Cities, supply charges for customers, and funding options, including available grants.

3. **Operations Plan** – This component will identify a proposed operational authority or authorities, and will identify the operational and regulatory responsibilities of the applicable parties. The Operations Plan will include criteria, guidance, and policy, as appropriate, to construct and operate the distribution system.

5.2 FACILITIES PLAN, INCLUDING STORAGE AND DISTRIBUTION SYSTEM HYDRAULIC ENGINEERING

Based on the decisions made at the conclusion of the Feasibility Study, hydraulic modeling and engineering will be conducted to determine storage reservoir and pipe sizing. The activities anticipated for this initial phase of the Master Plan include:

1. Comprehensive water balances for both seasonal storage and distribution and diurnal storage and distribution, as appropriate based on the chosen alternative(s).

2. Conceptual design of the storage reservoirs, identifying the locations and providing volumes (including surface areas and depths). These designs shall consider depth to groundwater and operational constraints (including vector control, infiltration constraints, potential for multiple use, or other identified constraints).

3. Conceptual design of the distribution systems to include minimum pipe diameters to use the entire projected capacity of the White Slough Plant. The consultant shall identify pipe diameters for reasonable potential system expansion.

Potential Storage and Distribution System Hydraulic Engineering Deliverables and Technical Memoranda

- The water balances can be provided as a separate TM or included in the conceptual design TM(s).

- The conceptual storage and distribution system TM(s) will include maps of locations and (10% to 20% design) drawings to scale of the storage and distributions facilities, including required pump locations and proposed standard design parameters.

5.3 FINANCE PLAN

Based on the decisions made from the Expanded Feasibility Study and the conceptual storage and distribution system design, a more detailed and accurate financial analysis can be performed, and detailed

financial planning can be undertaken. The activities anticipated for this financial planning phase of the Master Plan include:

1. An opinion of probable cost for CEQA, permitting, and construction of the storage and distribution systems.

2. Cost modeling for full lifecycle costs, including land and/or easement acquisition.

3. Development of user fees for connection and/or recycled water (to be developed in close coordination with the Cities' Project Managers).

4. Identification of applicable grants or low-cost loans for capital construction and/or system operation.

5. Development of alternatives for cost and review sharing, including appropriation of capital costs and wholesale recycled water costs paid by Stockton or Lodi. Clearly the financial agreement between Stockton and Lodi will need to be negotiated by the Cities' staff and approved by the respective City Councils. However, the consultant, working closely with the Cities' staff, will provide the necessary data for those negotiations.

Potential Financial Plan Deliverables and Technical Memoranda

- The opinion of probable cost and lifecycle modeling costs are expected to be combined in a single TM to include applicable spreadsheets, and may or may not include proposed user fees.

- A TM identifying applicable grants and/or low-cost loans may be accompanied by appropriate application documents. The consultant may be directed to provide support in completing the application documents.

- The form of background and support information for intercity negotiations for cost and revenue sharing and/or intercity payments will be determined at a later date.

5.4 OPERATIONS PLAN

The Operations Plan is intended to identify operational issues and requirements and define the operational responsibilities. The activities anticipated for this operational planning phase of the Master Plan include:

1. An evaluation of organizational alternatives, including operations by the Cities using intercity contract(s), a joint powers agency (JPA), contracting with a vendor (jointly or through a JPA), or other alternative(s). This evaluation should include advantages and disadvantages of each alternative.

2. Identification of operational issues and activities, including financial operations, equipment maintenance, and recycled water management. It is anticipated that these issues and activities will be included in the lifecycle costs modeled in the Financial Plan.

3. Development of priorities in constructing infrastructure, including the potential for constructing a pilot project (such as application of recycled water to a local open space area). Development of these priorities will be done in close cooperation with the Cities' staff.

4. Recycled water marketing strategies and stakeholder interaction mechanisms.

Potential Operational Plan Deliverables and Technical Memoranda

- A TM identifying the operational issues should be prepared to form a framework for those evaluations prior to any evaluation of organizational alternatives.

- The evaluation of organizational alternatives should be provided in a TM and will require a presentation to both City Councils. It is anticipated that a proposed alternative will be determined in close coordination with the Cities' staff.

- The presentation of priorities can be combined with the operational issues TM or prepared as a separate document.

- Proposals and alternatives for marketing strategies and stakeholder interaction mechanisms should be provided in a TM that includes recommended timeframes.

5.5 SCOPE OF SERVICES ADDITIONS OR MODIFICATIONS TO ENHANCE PROJECT

The consultant team is strongly encouraged, based on relevant experience, to propose additions or modifications to the envisioned scope of services, listed above, if in their professional opinion the changes will enhance the proposed project and increase the opportunities for a successful project.

The consultant team should indicate in their proposal those areas of this RFP's envisioned scope of services that should be further refined prior to negotiations. Also, those areas of the envisioned scope of services that are difficult to define at this time and that will be developed as the Feasibility Study and Master Plan proceeds should be identified so that the Cities can consider placing some or all of these tasks in contingency or special services.

5.6 BASIS OF COMPENSATION

A cost estimate for the project shall be provided with this proposal. The cost estimate should reflect the consultant's expectations of time and costs to complete the proposed scope of work. Cost estimates should also be provided for additional scopes of services that the consultant proposes for additional work to benefit the project. Cost estimates should be provided with the consultant's proposal in a sealed envelope, separate from the main proposal. This envelope will be opened once contract negotiations begin with the highest ranked consultant's proposal.

Compensation will be on a negotiated fixed-fee-by-task basis. Cost estimates should include the following information:

- Estimated fee by task, including hours per task
- Hourly rate schedule for labor
- Types and estimated amount of non-labor costs to be billed to the project
- Adjustments in rates predicted to occur during the project.

6.0 PREPARATION OF PROPOSAL

6.1 SUBMITTAL INSTRUCTIONS

Please submit original proposal plus six (6) copies as follows:

Due date: January 12, 2006 by 2:00 p.m.

Deliver to: Department of Municipal Utilities
City of Stockton
Attn: Robert Granberg
2500 Navy Drive
Stockton, CA 95206

6.2 ORGANIZATION AND CONTENT

The proposal shall contain the following sections:

Section	Contents
Cover letter	Transmittal
1	Project overview, approach, and scope of services
2	Consultant team
3	Project schedule
4	Fee estimate, including staff hours
5	Proprietary information
6	Résumés

Project Overview, Approach, and Scope of Services

This section shall present an overview of the project and the consultant's specific approach to meet the stated project goals and envisioned scope of services. This section should convey the consultant team's understanding of the project and how the Cities' envisioned scope of services is integrated into the consultant team's project approach. Also, this section should identify areas of the project approach which the consultant team proposes to modify, change, or expand from the envisioned project as outlined in Sections 4.0 and 5.0 above. The consultant team is encouraged to propose changes where the consultant team believes the overall project approach will be improved and the opportunities for timely expansion of the Joint Stockton/Lodi Recycled Water Project are enhanced.

Envisioned deliverables can be found in Sections 4.0 and 5.0, above. The proposal should reflect any additional deliverables that would complement your recommended project approach or any suggestions for modification that you may have for the envisioned deliverables. Please incorporate a listing of proposed deliverables into this section of your proposal.

Restriction: 12 pages maximum.

Consultant Team

The proposal should develop a consultant team to address the "Project Overview and Approach" presented in the previous section. Provide an organization chart and the following requested information

- Specific role(s) in the project for those listed in organization chart
- Briefly describe the qualifications of each individual listed and relevant experience to perform specific roles
- Assess the team member's availability for this project.

All consultant team members should possess significant relevant experience for their duties and be available to complete their proposed project roles within the project schedule.

The percentage of time devoted to this project by the key personnel, including project managers and other key personnel, who will provide more than 5% of the total project hours, shall be stated and guaranteed.

Restriction: 4 pages maximum plus the organization chart.

Project Schedule

This section shall provide a graphic project schedule and written rationale for the schedule.

Restriction: 2 pages plus a graphic schedule.

Staffing Estimate

This section shall include an estimate of staff time needed to complete the proposed project and any scope of services additions or modifications stated in the proposal. Provide a breakdown by task and personnel classification (manager, scientist, engineer, technician, draftsperson, clerical, etc.). Provide similar staff estimates for all subconsultant firms.

Proprietary Information

Any information submitted in the proposal that the proposer considers proprietary must be identified as such. The legal basis for a claim of confidentiality must also be included.

Résumés

Provide resumes for the project team members. Résumé review will occur at the discretion of each reviewer.

Restriction: 8 Résumés, 16 pages maximum.

7.0 EVALUATION AND SELECTION CRITERIA

7.1 REVIEW COMMITTEE

The Review Committee will consist of staff and representatives of both Lodi and Stockton.

7.2 CONTACT PERSON

Robert Granberg is the designated contact person for this Request for Proposals. Please direct all inquiries concerning this Request for Proposals to him. He can be contacted by phone at (209) 937-8779, or e-mail at robert.granberg@ci.stockton.ca.us.

7.3 BASIS FOR EVALUATION

The scoring system that will be used to evaluate proposals is shown below.

Criteria	**Weight**	**Scores [a] (1 – 10)**	**Weighted [b] Score**
Responsiveness to the RFP	10%		
Project overview, approach, and scope of services	40%		
Consultant team qualifications and roles	20%		
Project schedule	5%		
Staffing estimate	5%		
Estimated costs [c]	20%		
Total points [b]			

[a] Each criteria will be assigned a score of 1 to 10

[b] Scores will be multiplied by the weights and totaled to yield the total points on the proposal. Maximum total points is 100.

[c] The established budget for this project is $250,000.

7.4 CONSULTANT INTERVIEWS

Interviews will be conducted after proposal submittal. Interviews are tentatively scheduled for the week of January 22, 2006, as noted previously in the Proposed Project Schedule, Section 3.0. The interviews will be held at Stockton Department of Municipal Utilities (MUD), 2500 Navy Drive, Stockton. Interviews will be 75 minutes long, with 45 minutes for consultant team presentations and 30 minutes for questions and answers. MUD will provide computer projection equipment and a screen. However, please coordinate any presentation needs your team may have through Robert Granberg, the designated contact person.

7.5 SELECTION PROCESS

The Review Committee, based on evaluation of the proposals and the team interviews, will make a final selection. Final negotiations as to scope and fee will take place after consultant team selection. It is expected that consultant teams proposing on this project will be notified by the week of January 29, 2007 concerning the outcome of this selection process.

RESOLUTION NO. 2006-____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE A JOINT FUNDING AGREEMENT WITH THE CITY OF STOCKTON FOR THE JOINT RECYCLED WATER EXPANDED FEASIBILITY STUDY AND IMPLEMENTATION PLAN, APPROPRIATING FUNDS AND FURTHER APPOINTING A COUNCIL MEMBER TO PARTICIPATE ON THE CONSULTANT SELECTION TEAM

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NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to execute a Joint Funding Agreement with the City of Stockton for the Joint Recycled Water Expanded Feasibility Study and Implementation Plan; and

BE IT FURTHER RESOLVED, that the Lodi City Council further appropriates additional funds in the amount of $50,000 for this project; and

BE IT FURTHER RESOLVED that the Lodi City Council further appoints Council Member_____ to participate on the Consultant Selection team.

Dated: November 29, 2006

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I hereby certify that Resolution No. 2006-____ was passed and adopted by the City Council of the City of Lodi in a special meeting held November 29, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk